

Message Text

CONFIDENTIAL

PAGE 01 BONN 05503 041716Z

53

ACTION EB-07

INFO OCT-01 ARA-06 EUR-12 ISO-00 SP-02 AID-05 NSC-05

CIEP-01 TRSE-00 SS-15 STR-04 OMB-01 CEA-01 L-02 H-02

CIAE-00 COME-00 FRB-03 INR-07 NSAE-00 XMB-02 OPIC-03

LAB-04 SIL-01 AGR-05 SSO-00 NSCE-00 INRE-00 /089 W

----- 117970

O R 041655Z APR 75

FM AMEMBASSY BONN

TO SECSTATE WASHDC IMMEDIATE 9168

INFO AMEMBASSY PARIS

AMEMBASSY SANTIAGO

C O N F I D E N T I A L BONN 05503

E.O. 11652: GDS

TAGS: EFIN, CI, GW

SUBJECT: CHILE DEBT RESCHEDULING

REF: 1) STATE 74576, 2) BONN 5171

1. IN ABSENCE (DURING POST-EASTER VACATION PERIOD)
OF THE COMPETENT ASSISTANT OR DEPUTY ASSISTANT
SECRETARIES IN FOREIGN AND ECONOMICS MINISTRIES,
EMBASSY CONVEYED SUBSTANCE OF REFTEL TO GEHRING IN
ECONOMICS MINISTRY AND KRUSE IN FORNMINISTRY.
AS WE REPORTED IN BONN 5171, THE FRG WOULD SUPPORT
A SCENARIO OF A CREDITORS' MEETING IN APRIL (WEEK
OF APRIL 21 PREFERRED), TO BE FOLLOWED SHORTLY
THEREAFTER BY PARIS CLUB MEETING. FRG SPOKESMEN,
HOWEVER, INSISTED THAT FRANCE MUST TAKE INITIATIVE
TO CONVOKE MEETINGS AND THEY ADDED THAT PARIS
IS AWARE OF FRG'S READINESS TO PARTICIPATE. GEHRING
FURTHER STATED THAT FRG WOULD INSIST THAT ALL
REPEAT ALL CREDITORS BE INVITED TO INFORMAL MEETING,
EVEN AT THE RISK OF SOME OF THEM (EXAMPLE, THE UK
OR NETHERLANDS) "MAKING THEIR VIEWS ON POLITICAL
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BONN 05503 041716Z

ATTITUDES KNOWN." EVEN THE OPPONENTS OF A CLUB

MEETING, GEHRING BELIEVES, SHOULD HAVE THE OPTION OF ATTENDING OR NOT ATTENDING THE INFORMAL CREDITORS' MEETING, AT WHICH THERE COULD BE A THOROUGH, USEFUL, AND NEEDED AIRING OF ALL RELEVANT QUESTIONS.

2. AS OF THE MORNING OF APRIL 4, BONN HAD NOT YET RECEIVED A REPORT FROM ITS WASHINGTON EMBASSY ON THE DEMARCHE BY ASSTSEC ROGERS TO THE GERMAN CHARGE. REGARDING AN FRG APPROACH TO MCNAMARA, TO URGE IBRD TO PROCEED WITH AGRICULTURAL REHABILITATION LOAN TO CHILE, GERMAN REPS SAID THAT THEY COULD NOT GIVE US A RESPONSE BEFORE APPROPRIATE INTER-MINISTERIAL CONSULTATIONS HAVE TAKEN PLACE. THEY EXPECTED TO BE ABLE TO GIVE US A REPLY SOME TIME NEXT WEEK.

3. THE CHILE DEBT QUESTION APPEARS TO BE TAKING ON A MORE SENSITIVE POLITICAL COLORATION IN BONN. GEHRING CAUTIONED US THAT HE WOULD NOT WISH TO ANTICIPATE THE REACTION OF THE FRG AID MINISTRY, WHICH HAS ACTION RESPONSIBILITY FOR AN APPROACH TO THE IBRD. THERE IS MUCH EMOTIONAL OPPOSITION AT HIGH LEVELS OF THAT MINISTRY TO ANY MEASURES THAT WOULD GIVE "AID AND COMFORT" TO THE PRESENT CHILE GOVERNMENT.

4. IN THIS CONNECTION, ANOTHER DEVELOPMENT, WHICH MAY PROVE UNHELPFUL IN THE CONSIDERATION OF THE DEBT RESCHEDULING QUESTION, HAS LEAD TO A PARTY/ POLITICAL HASSLE BETWEEN THE CDU AND SPD. THE CDU AID SPOKESMAN TODENHOEFER, UPON HIS RETURN FROM A MARCH 30 MEETING WITH PINOCHET IN CHILE, URGED THE FRG GOVERNMENT TO MEET ITS 1973 ORAL COMMITMENT TO EXTEND DM 45 MILLION IN CAPITAL AID. THIS PROVOKED A SHARP RETORT FROM THE FORMER PARLIAMENTARY STATE SECRETARY IN THE AID MINISTRY (CURRENTLY RESEARCH AND TECHNOLOGICAL MINISTER) MATTHOEFER THAT THE TENTATIVE 1973 PROMISE OF DEVELOPMENT AID WAS APPLICABLE TO A "DEMOCRATICALLY LEGITIMIZED GOVERNMENT". MATTHOEFER WAS REPORTED TO HAVE CONFIDENTIAL

CONFIDENTIAL

PAGE 03 BONN 05503 041716Z

DESCRIBED BEFORE A GROUP OF JOURNALISTS THE PRESENT CHILEAN GOVERNMENT AS A "BAND OF MURDERERS", STATING FURTHER THAT FOR HIM THIS REGIME IS NON-EXISTENT. MATTHOEFER'S OUTBURST IN TURN PROVOKED A STATEMENT FROM THE CHILEAN EMBASSY (DESCRIBED BY THE PRESS AS UNPRECEDENTED IN BONN) THAT THE EMBASSY "WOULD LIKE TO BE HELPFUL IN REFRESHING MR. MATTHOEFER'S MEMORY THAT HE REPEATED

THE OFFER OF CREDIT AID ON AUGUST 31, 1973 TO THE
THEN CHILEAN AMBASSADOR IN BONN".
HILLENBRAND

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, DEBT REPAYMENTS, GOVERNMENT DEBTS, MEETINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 04 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: buchantr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975BONN05503
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750117-0503
From: BONN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750482/aaaacwwl.tel
Line Count: 118
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 STATE 74576, 75 BONN 5171
Review Action: RELEASED, APPROVED
Review Authority: buchantr
Review Comment: n/a
Review Content Flags:
Review Date: 13 MAY 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <13 MAY 2003 by izenbei0>; APPROVED <01 OCT 2003 by buchantr>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CHILE DEBT RESCHEDULING
TAGS: EFIN, CI, GE
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006